

House Ways & Means Committee

Minutes
2008



MINUTES

HOUSE WAYS AND MEANS COMMITTEE

DATE: February 27, 2008

TIME: 11:30 a.m.

PLACE: Room 240

MEMBERS: Chairman Wills, Representatives Moyle, Bedke, Roberts, Jaquet, Saylor, Rusche

**ABSENT/
EXCUSED:**

GUESTS:

Chairman Wills called the meeting to order at 11:30 a.m.

RS 18032: Rep. Smith (24) reviewed legislation that was introduced two years ago in which the original corridors for Connecting Idaho were established. He stated this RS makes changes to the original legislation as found on page 2, lines 40-43, and reduces the limit of cumulative debt percentage from 30% to 20%. This percentage can only be exceeded by affirmative action by the Legislature beginning in 2009 for the fiscal year 2010 budget. The last paragraph on page 3 changes the procedure that the Idaho Transportation Department (ITD) will use to request appropriations. The legislation specifically requires that ITD must be project specific, indicate dates bids are to be let, show a project starting and ending date, show a description of the project and the amount of dollars requested. Based on this information, the Legislature can accept or reject the project(s). In response to a question regarding IDT's control, Rep. Smith (24) stated language regarding this issue has not been removed from the original legislation; it only makes the project description more specific. Additionally, ITD will need legislative approval to move funds from one project to another. The projects noted in the original legislation and now in *Idaho Code* have not been changed.

MOTION: Rep. Roberts made a motion to introduce **RS 18032**. By voice vote the motion passed.

RS 18041: Rep. Smith (24) called this the "audit" bill. Based on discussion by an ad hoc committee regarding transportation issues, questions and ideas were compiled and sent to the Joint Legislative Oversight Committee (JLOC) for their input regarding costs to pursue answers. JLOC recommended use of a consultant outside of Idaho at a cost of \$55,000.00 and narrowed the questions down to those in the proposed concurrent resolution.

MOTION: Rep. Moyle made a motion to introduce **RS 18041**. By voice vote the motion passed.

RS 18007 Rep. Hart stated this legislation would allocate certain sales tax revenue that is placed in the General Fund to the Highway Distribution Account. These moneys would be collected from sales of items under industry code

0553 (certain motor vehicle related items). Rep. Hart cited sales figures from retailers of approximately \$175 million with an additional amount from "big box" stores raising that amount to approximately \$200 million. Rep. Hart felt these funds would help solve the transportation funding crisis.

MOTION: Rep. Roberts made a motion to introduce **RS 18007**. By voice vote the motion passed.

RS 18034: Rep. Mortimer stated this legislation is a significant revision to motor vehicle registration for vehicles under 8,000 pounds. It will increase the registration for vehicles in this class by \$30.00 per year. This will raise \$50,589,000.00 for the Highway Distribution Account. The amount would be distributed by a formula currently in code to cities and counties. In answer to a question regarding classic cars, this would not affect that type of registration. Rep. Jaquet expressed an opinion that similar legislation should be forthcoming regarding trucks. Rep. Mortimer advised the committee that legislation for that type of vehicle was going to be proposed. Rep. Roberts voiced his opposition to this legislation because the RS was not written in the proper form and should be brought to the committee after corrections were made. After further discussion regarding this concern, Rep. Mortimer agreed to have the RS corrected. Further discussion ensued as to when the committee could meet to hear the corrected legislation, and committee members agreed to meet today at 4:00 p.m.

ADJOURN: There being no further business to come before the committee, Chairman Wills adjourned the meeting at 12:03 p.m.

Representative Richard Wills
Chairman

Sue Frieders
Secretary

MINUTES

HOUSE WAYS AND MEANS COMMITTEE

DATE: February 28, 2008

TIME: 4:00 P.M.

PLACE: Room 240

MEMBERS: Representatives Moyle, Bedke, Roberts, Jaquet, Sayler

**ABSENT/
EXCUSED:** Chairmen Wills, Rep. Rusche

GUESTS: See attached list.

Acting Chairman Moyle called the meeting to order at 4:03 p.m. Rep. Roberts made a motion to accept the minutes of February 27, 2008, as written. By voice vote the motion passed.

RS 18043: Rep. Snodgrass stated this legislation was a result of Treasure Valley Air Quality Council recommendations to establish a vehicle emission testing and maintenance program. Earlier this session the Environment, Energy and Technology Committee looked at similar legislation and voiced some concerns. This RS is in response to those concerns. Rep. Snodgrass stated he would like the committee to consider this RS with two changes: (1) on page 1, line 15, following the word vehicles, add "in an attainment or unclassified area as designated by the U.S. Environmental Protection Agency", and (2) delete (8) on page 3.

MOTION: Rep. Jaquet made a motion to introduce **RS 18043** with the two changes as stated by Rep. Snodgrass. By voice vote the motion passed.

RS 17453C1: Rep. Clark stated this RS proposes a 3% increase in annual salaries for justices of the Supreme Court, judges of the Court of Appeals, district judges and magistrate judges. This legislation uses the same language that has been used for the past four years. There are 137 judges statewide who will be affected by this proposal.

MOTION: Rep. Bedke made a motion to introduce **RS 17453C1**. By voice vote the motion carried.

ADJOURN: There being no further business to come before the committee, Acting Chairman Moyle adjourned the meeting at 4:12 p.m.

Representative Mike Moyle
Acting Chairman

Susan Frieders
Secretary

MINUTES

HOUSE WAYS AND MEANS COMMITTEE

DATE: March 5, 2008

TIME: 3:40 P.M.

PLACE: Room 240

MEMBERS: Chairman Wills, Representatives Moyle, Bedke, Roberts, Jaquet, Sayler, Rusche

**ABSENT/
EXCUSED:**

GUESTS:

Chairman Wills called the meeting to order at 3:40 p.m. Rep. Sayler made a motion to accept the minutes of February 28, 2008. By voice vote the motion passed.

RS 18055C1: Rep. Wood (35) stated that work with the Idaho Transportation Department (ITD) and Idaho Parks and Recreation Department regarding this legislation has been ongoing for some time. Presently motorcycle license plates are used on all-terrain vehicles (ATV), utility vehicles (UTV) and motorbikes, but they don't meet the Federal motor carrier safety standards. This legislation provides for a license plate for these vehicles issued by IDT together with a sticker issued by the Parks and Recreation Department. Additionally, the legislation recognizes local authority's jurisdiction over their local roadways and public lands. It also clarifies state code as it pertains to use of these vehicles for farm use. In answer to questions regarding the license plate fee, Rep. Wood (35) explained that the plate, which would be required for these vehicles except those that fall under the agricultural exemption, would cost \$3.00 to cover ITD's manufacturing costs and would need to be replaced every seven years. In addition, a Parks and Recreation sticker would be required and have to be renewed every year.

MOTION: Rep. Jaquet made a motion to introduce **RS 18055C1**. By voice vote the motion passed.

RS 17945: Senator Corder stated this legislation is an attempt to simplify fee schedules and apply fees equitably for vehicles 8,000 to 60,000 maximum gross weight licensed in counties and all other vehicles between 60,001 and 129,000. In hand-outs (see attached) Senator Corder showed the proposed rates proposed by this legislation. He stated in researching this subject he found there was no consistency in the fees as they moved from weight class to weight class. This proposal will eliminate three pages of fee sheets. In addition, for those vehicles over 60,000 gross vehicle weight there will be an additional charge of \$.045/mile. Previously the mileage charge was capped at 50,000 miles, but with this legislation there will be no cap. Discussion centered around the reporting system. It was determined the trucking companies were audited by more than one source and in different ways. In response to questions about the drop in

revenue as shown on a hand-out (see attached), Senator Corder stated that previously the fee structure was such that interstate truckers not based in Idaho didn't register their trucks in Idaho, but waited until they entered Idaho and then paid for a \$50.00 permit. This loophole created a shortfall in revenues. In response to questions regarding the validity of his study since it was based on his trucking company, Senator Corder responded by stating that ITD was the source of the numbers. Senator Keough, co-sponsor of the legislation, emphasized that ITD and their economist worked with them on this issue. Rep. Moyle questioned the possibility of a lawsuit arising from this legislation. Senator Corder felt that no matter how the revenue issue was resolved, someone would feel it wasn't fair. Senator Keough responded that if a truck was below the 50,000 miles in any commodity the current system treated them unfairly and in favor of long-haul truckers. In response to a question about phasing in this proposed system, Senator Corder felt a phase-in period would be unlikely since additional rules have to be written for 6,000 gross vehicle weight trucks, staff will be needed to implement this process and the bill requires one year for implementation. In addition, because initially we will notice a drop in revenue if a phase-in is done, the State would never catch up.

MOTION: Rep. Bedke made a motion to introduce **RS 17945**. Rep. Jaquet asked if the Governor's office was in favor of this proposal. Senator Keough stated they had talked with the Governor and he has encouraged any and all proposals to come forward. By voice vote, the motion passed.

RS 18051: Rep. Moyle referred the committee to **HB515**, which deals with state-owned outdoor shooting ranges. Because privately-owned shooting ranges are having problems, this is being brought forward to address some of those concerns. This proposal will achieve protection for privately-owned ranges just as **HB515** did for state-owned ranges. A concern was raised regarding page 2, beginning on line 36, Preemption of local authority. Rep. Moyle assured the committee that section ties back into standards set in **HB515**, which is Chapter 91, Title 67, *Idaho Code*. Rep. Moyle informed the committee that law enforcement would testify in favor of this legislation should it be introduced.

MOTION: Rep. Bedke made the motion to introduce **RS 18051**. Rep. Jaquet questioned the use of **HB515** (Chapter 91, Title 67, *Idaho Code*) in this legislation since it hasn't been passed by the Senate. Rep. Moyle stated that if a bill passes one House it is appropriate to refer to it in other proposed legislation. Certainly if **HB515** does not pass the Senate, this legislation would be null and void. By voice vote the motion passed.

ADJOURN: There being no further business to come before the committee, Chairman Wills adjourned the meeting at 4:40 p.m.

Representative Richard Wills
Chairman

Sue Frieders
Secretary

MINUTES

HOUSE WAYS AND MEANS COMMITTEE

DATE: March 11, 2008

TIME: 3:10 P.M.

PLACE: Room 240

MEMBERS: Chairman Wills, Representatives Moyle, Bedke, Jaquet, Sayler, Rusche

**ABSENT/
EXCUSED:** Rep. Roberts

GUESTS:

Chairman Wills called the meeting to order at 3:10 p.m. Rep. Bedke made a motion to accept the minutes of March 5, 2008. By voice vote the motion passed.

RS 18075: Mike Nugent, Legislative Services, called this the "drop dead bill" because if this legislation does not pass all administrative rules will be null and void. If passed, administrative rules will be in effect for another year until July 1, 2009.

MOTION: Rep. Jaquet made a motion to introduce **RS 18075** and send it to the second reading calendar. By voice vote the motion passed. Rep. Wills will sponsor the bill on the Floor.

RS 18083C1: Rep. Hagedorn stated this legislation would increase registration fees for commercial and non-commercial trucks, buses, and some commercial & non-commercial trailers with a gross vehicle weight of 8,000 pounds and greater. For vehicles with a maximum gross weight not in excess of 60,000 pounds registration fees will now be \$72.00 to \$644.00, which is an increase between \$36.00 and \$201.00. An annual registration fee for trailers will increase from \$15.00 to \$30.00. For vehicles over 60,000 pounds the registration fees are based on how many miles driven, and each category has been increased by \$100.00. Rep. Hagedorn referred to page 2 of his hand-out (see attached) when discussing the impact these registration fee changes would have on the Highway Distribution Account. Rep. Hagedorn explained the rationale behind these rate increases was based on the target amount that had to be attained and increases that would be within a range that would keep them equitable. In answer to questions regarding damage to highways with respect to cars versus trucks and the increase in registration fees, Rep. Hagedorn stated that trucks pay a greater amount of fuel tax and that amount added together with the increase in their registration fees provides their fair share of costs for road repairs.

MOTION: Rep. Moyle made a motion to introduce **RS 18083C1**. By voice vote the motion passed.

RS 18034C2: Rep. Hagedorn stated this legislation would increase registration fees for

vehicles with a maximum gross weight not exceeding 8,000 pounds by a flat rate of \$24.00 per registration. This is the only change to Section 49-402, *Idaho Code*. There are 1.26 million vehicles in this weight class registered in Idaho and the increase would add \$30.2 million to the highway accounts. In answer to questions regarding Idaho Transportation Department's (ITD) analysis with respect to hybrids and grease cars, Rep. Hagedorn said ITD did not have data broken out regarding those vehicles, but that they were most cooperative in assisting him with this legislation. When questioned about any gas tax discussion, Rep. Hagedorn said every option was looked at but registration fees seemed the best option to attack this session.

MOTION: Rep. Bedke made a motion to introduce **RS 18034C2**. By voice vote the motion passed.

RS 18100C1: Rep. Hagedorn stated this legislation covers registration fees for all trailers, motorcycles, all-terrain vehicles that are allowed on highways, and buses; non-profit, non-public or used by a school district. There are currently 99,000 such vehicles registered in Idaho and the increase would add \$1.15 million to the highway accounts. The registration fees for school buses, both non-profit, non-public, or operated pursuant to a service contract with a school district were increased from \$24.00 to \$54.00. Registration fees for motorcycles and all-terrain vehicles operated upon public roads will be increased from \$9.00 to \$18.00. The yearly registration fee increase for utility trailers will be increased from \$5.00 to \$10.00. In addition, a five-year registration fee for a utility trailer will be increased from \$20.00 to \$40.00. A ten-year registration fee will be increased from \$30.00 to \$60.00 can be registered for a five year period or a ten year period.

MOTION: Rep. Bedke made a motion to introduce **RS 18100C1**. In answer to a question regarding the impact these additional registration fee costs would have on the K-12 school budget, Rep. Bedke advised the committee they would be reimburseable expenses and the state would pay 80% of those costs when the education stabilization fund is triggered, so there are mechanisms in place to assist with the potential registration fee increases. By voice vote the motion passed.

RS 18077: Rep. Moyle stated this legislation deals with the issue of water rights and the notification of individuals who are affected by an application to appropriate waters of this state. This bill would add the use of the Department of Water Resources website as a form of notification. Because the point of diversion can affect more than just immediate parties, it was felt this additional form of notification would be available to more people.

MOTION: Rep. Bedke made a motion to introduce **RS 18077**. By voice vote the motion passed.

ADJOURN: There being no further business to come before the committee, Chairman

Wills adjourned the meeting at 3:53 p.m.

Representative Richard Wills
Chairman

Sue Frieders
Secretary

MINUTES

HOUSE WAYS AND MEANS COMMITTEE

DATE: March 12, 2008

TIME: 12:38 P.M.

PLACE: Room 240

MEMBERS: Chairman Wills, Representatives Moyle, Bedke, Roberts, Jaquet, Sayler, Rusche

**ABSENT/
EXCUSED:**

GUESTS:

Chairman Wills called the meeting to order at 12:38 p.m.

SB 1276: Sen. Corder stated this legislation stems from a problem in Elmore County. There was a disagreement between a scrap metal purchaser and a scrap metal seller as to the weight of the scrap delivered to the purchaser. Currently people are allowed to purchase scrap metal without providing proof of weight. With this amendment to *Idaho Code* all bulk sales and deliveries of scrap metal must produce scale tickets. He indicated that the new language at lines 25-28 could be deleted without causing any problems since many in the agricultural community were opposed to the language.

MOTION: Rep. Moyle made a motion to send **SB 1276** to the State Affairs Committee. In addition, he requested the committee secretary to advise the State Affairs Committee Chair that the Ways & Means Committee would like to see lines 25-28 removed from the bill.

RS 18105: Rep. Hart told the committee this RS takes the place of **HB 580**, which was introduced early in the session. This legislation would collect the sales tax from the sale of items under industry code 0553 (certain motor vehicle related items) and place them in the Highway Distribution Account. The only difference between this RS and the bill is the effective date, which has been changed from 2009 to July 1, 2010.

MOTION: Rep. Bedke made a motion to introduce **RS 18105**. A question was asked regarding the loss of funds that would have passed to the General Fund. Rep. Hart stated that since it doesn't become effective until 2010 and assuming there isn't a recession, the state should have a surplus which would compensate for the loss to the General Fund. By voice vote the motion passed. Reps. Jaquet, Sayler and Rusche asked to be recorded as voting nay.

RS 18107C1 Rep. Bedke stated this legislation would add a surcharge of \$10.00 to the cost of special license plates. A special license plate is distinguishable because they don't have a county designation. Sixty-two percent of the funds collected will be distributed to the state highway account and 38%

will be given to local units of government.

MOTION: Rep. Moyle made a motion to introduce **RS 18107C1**. In answer to a question regarding what affect this will have on the organizations who receive funds from the special license plates, Rep. Bedke responded that this is a voluntary tax since the consumer purchases a plate of their own volition, and it was highly likely they would continue to purchase them in support of their favorite cause. By voice vote the motion passed.

RS 18108: Rep. Roberts reported this legislation adds a 4% lease and rental tax to rental cars, and it is a bill that responds to an idea presented by the Governor.

MOTION: Rep. Bedke made a motion to introduce **RS 18108**. By voice vote the motion passed.

ADJOURN: There being no further business to come before the committee, Chairman Wills adjourned the meeting at 1:52 p.m.

Representative Richard Wills
Chairman

Sue Frieders
Secretary

MINUTES

HOUSE WAYS AND MEANS COMMITTEE

DATE: March 21, 2008

TIME: 11:45 A.M.

PLACE: Room 240

MEMBERS: Chairman Wills, Representatives Moyle, Bedke, Roberts, Jaquet, Sayler, Rusche

**ABSENT/
EXCUSED:**

GUESTS:

Chairman Wills called the meeting to order at 11:45 a.m. Rep. Rusche made a motion to accept the minutes of March 11 and 12, 2008. By voice vote the motion passed.

RS 18128C1: Rep. King stated this legislation attempts to make the registration fee increase for vehicles under 8,000 gross maximum weight distributed equally. Rep. King advised the committee she would like to add a hardship clause protecting those individuals at 100% of poverty level and whose vehicles are over seven years of age. Those affected would receive a partial exemption of the registration fee that is in effect for 2008.

MOTION: Rep. Jaquet made a motion to introduce **RS 18128C1** with the hardship clause included. By voice vote the motion passed. Discussion ensued as to how to handle the change, and a consensus was reached that Rep. King should have a **C2** drafted and given to the Chief Clerk's office for processing.

RS 18129C1 Rep. Rusche stated this legislation proposes some increases in fees associated with trucks. In reaching this increase, he took a look at overall impact and what funds come from other sources. Some studies show that trucks have a greater impact on roads which suggests they should pay their fair share. In arriving at the increase Rep. Ruchti said the Idaho Transportation Department needed \$100 million, and this proposal generates \$20 million in new revenue. This legislation increases truck and trailer registration fees by 38%. In answer to a question regarding the funding formula as it applies to the Idaho State Police budget, Rep. Ruchti informed the committee this legislation did not change the funding formula; the funds raised would be additional funds for the future.

MOTION: Rep. Jaquet made a motion to introduce **RS 18129C1**. By voice vote the motion passed.

RS 18136: Rep. Ringo stated the intent of this legislation was to raise funds for maintenance and repairs of roads and bridges in Idaho by adding a 2% sales tax on the retail cost of gas at the pump. Revenue generated would go to the state's General Fund to be transferred to the Highway Distribution Account. She pointed out that the fiscal impact was a moving

target based on the price of fuel. The Idaho Transportation Department provided figures based on \$3.00/gallon and \$3.50/gallon of diesel for a total amount of \$50 million. Based on the recent rise in gas prices, the budget analysts with the Joint Finance & Appropriations Committee used the figures of \$3.25/gallon and \$4.10/gallon of diesel for a total amount of \$56.23 million. Rep. Roberts pointed out that in his work on sales tax legislation, he found that it is better to base any sales tax increase on fuel at the wholesale price rather than the retail price because it is easier to collect at that level.

MOTION:

Rep. Jaquet made a motion to introduce **RS 18136**. By voice vote the motion passed.

Rep. Jaquet advised the committee these three pieces of legislation were an attempt to offer blended proposals that would raise funds for the Highway Distribution Account rather than proposals that only dealt with an increase in vehicle registration fees. She also advised the committee she was in favor of Idaho Transportation Department performance audit legislation that passed the House. Chairman Wills expressed his pleasure that everyone was united in trying to come up with a solution to the funding problem.

ADJOURN:

There being no further business to come before the committee, Chairman Wills adjourned the meeting at 12:10 p.m.

Representative Richard Wills
Chairman

Sue Frieders
Secretary

MINUTES

HOUSE WAYS AND MEANS COMMITTEE

DATE: March 26, 2008

TIME: 12:08 P.M.

PLACE: Room 240

MEMBERS: Chairman Wills, Representatives Moyle, Bedke, Roberts, Jaquet, Saylor, Rusche

**ABSENT/
EXCUSED:**

GUESTS:

Chairman Wills called the meeting to order at 12:08 a.m. Rep. Roberts made a motion to accept the minutes of March 21, 2008. Rep. Rusche pointed out an error on page one, fourth paragraph, line 1, which should read Rep. Ruchti not Rep. Rusche. By voice vote the motion passed with the correction.

RS 18161C1: Pamela Lowe, Director, Idaho Transportation Department (ITD), stated this legislation would increase revenue to the Highway Distribution Account and change the funding formula by distributing 38% to local governments and 62% to IDT. The RS will increase the state fuel tax from \$.25 to \$.28. In addition, the Idaho State Police budget will be frozen at \$16.8 million. The revenue realized from the legislation will be \$23.5 million from passenger vehicles under 8,000 pounds mgw (maximum gross weight), \$6.7 million from trucks 8,000 to 60,000 pounds mgw, and \$11.3 million from trucks over 60,000 pounds mgw. It will also generate \$27 million in fuel tax revenue. The total amount to be realized would be \$68.5 million. In answer to a question regarding the percentage of damage to roads caused by passenger vehicles versus trucks, Director Lowe stated there was no definitive study proving trucks caused more damage to roads than cars. Rep. Bedke advised Director Lowe that if legislators were going to pass legislation to raise the amount of revenue needed to fund IDT projects, IDT needed to provide a cost allocation showing the amount of funds required along with studies supporting those figures. In response, Director Lowe told the committee a fee comparison study of commercial vehicles that pass through Idaho was done comparing Idaho's fees to those of surrounding states and it showed our fees were on the low side. In addition, she stated this bill was a good first step toward addressing the funding problem. Rep. Bedke did applaud the efforts of the Department and the Board, but noted the Board needed to act on a set of numbers they could support and stand by or there would always be the problem of convincing legislators to increase transportation funding. Rep. Saylor asked for an explanation on how the classifications listed on page 2, starting on line 19, were determined. Director Lowe stated the classifications were consolidated for simplicity, and the Department found that many other states have consolidated classifications. Rep. Roberts thanked Director Lowe and Board Chairman Darrell Manning for their participation in working towards a solution to the

this funding issue. He felt their willingness to advance this legislation sent a signal that the Department and Board were invested in trying to solve the problem of funding transportation projects in the best way possible for the citizens of Idaho.

MOTION:

Rep. Bedke made a motion to introduce **RS 18161C1** and send it to the second reading calendar. Rep. Bedke noted that the \$68.5 million represents a freeze to the Idaho State Police budget and a change in the distribution formula, which will net ITD \$42.5 million. Rep. Jaquet raised questions regarding the ramifications to the Idaho State Police (ISP) budget. Director Lowe pointed out that the recommendation to JFAC (Joint Finance & Appropriations Committee) this year was much lower than the \$16.8 million proposed in this legislation. She agreed that any additional funds for ISP in the future would have to come from the General Fund. Rep. Saylor expressed concerns regarding the proposed registration fee increase for vehicles over seven years of age. He cited concerns that the owners of such cars would probably be in the lower income levels and least able to afford such increases. Chairman Wills reminded the members that this was the beginning of the path to be taken to try to solve the transportation funding issue and undoubtedly there will be changes made to this legislation in the days to come. By voice vote the motion passed. Rep. Roberts will serve as floor sponsor.

RS 18154:

Rep. Ruchti advised the committee this proposal would repeal the gasohol and biodiesel licensed distributor deductions by amending *Idaho Code* 63-2407. This repeal will provide approximately \$1.2 million to the Highway Distribution Account. He stated this deduction was provided at least a decade ago when the state wanted to encourage the research of these fuels. Now these fuels can stand on their own and compete in the market place without help from these deductions.

MOTION:

Rep. Roberts made a motion to introduce **RS 18154** and send it to the second reading calendar. Rep. Jaquet made a request to have a member of the majority party listed as a sponsor on this proposal. Rep. Bedke stated he would put his name on the bill in order to move it to the floor so there could be a broader discussion. By voice vote the motion passed. Reps. Ruchti and Bedke will serve as floor sponsors.

ADJOURN:

There being no further business to come before the committee Chairman Wills adjourned the meeting at 12:39 p.m.

Representative Richard Wills
Chairman

Sue Frieders
Secretary

MINUTES

HOUSE WAYS AND MEANS COMMITTEE

DATE: March 27, 2008

TIME: 3:13 P.M.

PLACE: Room 240

MEMBERS: Chairman Wills, Representatives Moyle, Bedke, Jaquet, Sayler, Rusche

**ABSENT/
EXCUSED:** Roberts

GUESTS:

Chairman Wills called the meeting to order at 3:13 P.M.

RS 17685: Rep. Moyle explained to the committee that he was bringing this RS so that a discussion could be held between this session and the next on the viability of the cities and counties using a portion of new construction revenue for roads and public transportation funding. He pointed out that at the end of three years any funds in the account would then be used for property tax relief. In answer to a question about the use of the dedicated funds from new construction being used for other uses, Rep. Moyle stated that could not happen. The only use for those funds would be transportation related needs and disbursement would be under the control of the cities and counties. He further explained that the fund could continue for years. Rep. Sayler questioned the accuracy of the Statement of Purpose where the word "allow" was used and suggested it be replaced with the word "requires." Rep. Moyle agreed with his statement.

MOTION: Rep. Bedke made a motion to introduce **RS 17685** and change the Statement of Purpose on line one by deleting the word "allow" and replacing it with "requires." Rep. Rusche stated he would not be in favor of this legislation because it restricts the local entities' choices on how the money could be used. Rep. Moyle reminded the committee that new construction drives up everyone else's property tax, and this proposal provides a way to help pay for the impact of new construction without raising property taxes. By voice vote the motion passed.

RS 18150: Rep. Eskridge stated this legislation would limit property tax values from increasing by tying the values to the Consumer Price Index. The index would be calculated by the Idaho State Tax Commission utilizing the monthly consumer price index for all urban consumers. He pointed out that beginning on page 2, line 27, the homestead exemption would be capped at the current amount of \$100,938.00. He noted that this proposal would apply to all categories of real property.

MOTION: Rep. Moyle made a motion to introduce **RS 18150**. By voice vote the motion passed.

RS 18142: Rep. Moyle stated this legislation deals with landowners who own land that is part of an easement and the landowners can't use the ground but

have to pay taxes on it. It is generally the assumption that the property is not taxed, however, that is not always correct. He would like to see this proposal introduced by the committee in order for discussions to be held in the interim on this matter.

MOTION: Rep. Bedke made a motion to introduce **RS 18142**. By voice vote the motion passed.

ADJOURN: There being no further business to come before the committee, Chairman Wills adjourned the meeting at 3:29 p.m.

Representative Richard Wills
Chairman

Sue Frieders
Secretary

MINUTES

HOUSE WAYS AND MEANS COMMITTEE

DATE: March 31, 2008

TIME: 11:12 A.M.

PLACE: Room 240

MEMBERS: Chairman Wills, Representatives Moyle, Bedke, Roberts, Jaquet, Sayler, Rusche

**ABSENT/
EXCUSED:**

GUESTS:

Chairman Wills called the meeting to order at 11:12 a.m. Rep. Sayler made a motion to accept the minutes of March 26 and 27, 2008. By voice vote the motion passed.

SCR 135: Rep. Bedke stated this legislation is a request to Legislative Council for an interim study committee on the subject of medical education needs in Idaho. This legislation is a follow-up to **SB 1210**, which was passed last year, for an independent study of Idaho's medical education needs and appropriated \$300,000 for the study. A total of \$269,000 was spent. With **SCR 135**, a bi-partisan, broad-based committee will continue that effort. The scope and purpose of the committee will be to: (1) review and consider the findings of the Medical Education Study final report submitted by MGT of America, Inc.; (2) identify gaps in the MGT study and determine if and how those gaps should be filled; (3) complete and validate an Idaho inventory of medical education assets existing in Idaho; (4) evaluate further medical professional needs in Idaho; and (5) initiate a state plan for medical education that includes expanded opportunities at both the undergraduate and graduate levels. Sen. Geddes, sponsor of the bill, advised the committee that other legislators, other than those specifically mentioned in the bill, were welcome to attend the meetings as observers. He did specify that a member of the Governor's Health Care Task Force would be participating as a member of the committee. He reiterated that this interim committee would be studying the need for a medical school in Idaho and, therefore, those schools that would directly be affected by such a decision were a part of the committee.

MOTION: Rep. Jaquet made a motion to send **SCR 135** to the second reading calendar. By voice vote the motion passed. Reps. Bedke, Wills and Rusche will serve as floor sponsors.

ADJOURN: There being no other business to come before the committee, Chairman

Wills adjourned the meeting at 11:23 a.m.

Representative Richard Wills
Chairman

Sue Frieders
Secretary

MINUTES

HOUSE WAYS AND MEANS COMMITTEE

DATE: April 2, 2008

TIME: 9:20 A.M.

PLACE: Room 240

MEMBERS: Chairman Wills, Representatives Moyle, Bedke, Roberts, Jaquet, Sayler

**ABSENT/
EXCUSED:** Rusche

GUESTS:

Chairman Wills called the meeting to order at 9:20 a.m. Rep. Sayler made a motion to accept the minutes of March 31, 2008. By voice vote the motion passed.

RS 18172: Rep. Moyle explained this legislation would amend Section 3, Article VIII, of the Idaho Constitution relating to limitations on county and municipal indebtedness. This would specifically apply to hospitals, airports, and municipal electric systems. He pointed out that airport indebtedness would no longer require a 2/3rds majority vote of the taxpayers, but instead would only need a 50% majority vote. Rep. Jaquet asked him to apply this legislation to the example of the City of Boise airport and the need to build parking garage. Rep. Moyle stated the issue would go to the voters and a 50% majority vote would be required to approve the indebtedness. Such indebtedness would be guaranteed by revenues received through parking fees.

MOTION: Rep. Roberts made a motion to introduce **RS 18172** and recommend it be sent to the House State Affairs Committee. By voice vote the motion passed.

RS 18171: Rep. Thomas stated this legislation would eliminate the confusion surrounding the GARVEE funding for the Indian Valley Highway in her district. Presently the highway is listed as one of the projects eligible for GARVEE funding in *Idaho Code*. However, the cost for such a project far exceeds the amount eligible for GARVEE funding. Many landowners in her district are confused because this project remains on the list, so in order to alleviate their concerns, this legislation would remove the project.

MOTION: Rep. Moyle made a motion to introduce **RS 18171**. In response to questions regarding the disposition of this legislation, Rep. Thomas stated she did not expect it to receive a committee hearing at this late date, but she wanted it introduced in order for discussions to continue during the interim and to pave the way for the highway's removal from the GARVEE list during the next legislative session. Rep. Jaquet suggested Rep. Thomas secure a letter from the Idaho Transportation Department advising the constituents in District 9 that the Indian Valley Highway project would not be handled by GARVEE funding. Rep. Thomas assured the committee she was already working on that process. Rep. Roberts

stated there were six of these corridors out of the thirteen that would require an additional \$2 billion to complete. The remaining seven corridors, including Indian Valley Highway, in all likelihood would not be funded. By voice vote the motion passed. Rep. Jaquet stated she felt there should have been an organized process early on when GARVEE was first brought to the Legislature. Rep. Roberts felt the list was one of the initial problems with GARVEE legislation and should never have included the list in the first place.

ADJOURN:

There being no further business to come before the committee, Chairman Wills adjourned the meeting at 9:35 a.m.

Representative Richard Wills
Chairman

Sue Frieders
Secretary

MINUTES

HOUSE WAYS AND MEANS COMMITTEE

DATE: April 2, 2008

TIME: 1:53 P.M.

PLACE: Room 240

MEMBERS: Chairman Wills, Representatives Moyle, Jaquet, Sayler, Rusche

**ABSENT/
EXCUSED:** Bedke, Roberts

GUESTS:

Chairman Wills called the meeting to order at 1.53 p.m. Rep. Sayler made a motion to accept the minutes of April 2, 2008, at 9:20 a.m. By voice vote the motion passed.

ADJOURN: Chairman Wills took a moment to thank the committee for their professionalism during debate. He recognized that this committee is one of the most difficult because meetings are often called at the spur of the moment. With all members serving in Leadership he recognized their dedication to the committee. There being no further business to come before the committee, Chairman Wills adjourned the meeting at 2:00 p.m.

Representative Richard Wills
Chairman

Sue Frieders
Secretary